

OPEN MEETING

MEMORANDUM



0000159977

TO: THE COMMISSION

FROM: Utilities Division

DATE: February 11, 2015

RE: IN THE MATTER OF THE APPLICATION OF VALLEY CONNECTIONS, L.L.C.
FOR APPROVAL OF RESCISSION OF BOND REQUIREMENT CONTAINED IN
DECISION NO. 66846 (DOCKET NO. T-04169A-14-0404)

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AZ CORP COMMISSION
DOCKET CONTROL

ORIGINAL

Introduction

On December 10, 2014, Valley Connections, L.L.C. ("Valley Connections" or "Applicant") submitted an Application requesting rescission of the \$235,000 performance bond requirement contained in Decision No. 66846.

Background

On March 12, 2004, in Decision No. 66846, the Arizona Corporation Commission ("Commission") ordered Valley Connections to procure and file proof of a performance bond equal to \$235,000. As noted in its Application, Valley Connections currently has in place a \$235,000 Escrow Deposit Bond (No. PAIFSU 0382166) issued by International Fidelity Insurance Company and effective until June 22, 2015. The Applicant also indicated in its Application that Decision No. 66846 did not require Valley Connections to deposit the bond with the Commission. Staff has confirmed that the Business Office is not in possession of any bond documentation for Valley Connections. On January 15, 2015, a copy of the current bond was filed with Docket Control.

Compliance

According to the Corporations Division, Valley Connections is in good standing. The Consumer Services Section of the Utilities Division reports there have been no complaints or opinions about Valley Connections for the period of January 1, 2011 to December 19, 2014. A check of the Compliance Database by the Compliance Section of the Utilities Division indicates there are no delinquencies for Valley Connections; therefore Valley Connections is currently in compliance.

Staff Recommendations

The Commission has, in appropriate circumstances, relieved telecommunications providers of the obligation to maintain a performance bond. Staff recommends Valley Connections be relieved of the \$235,000 performance bond obligation contained in Decision No. 66846.

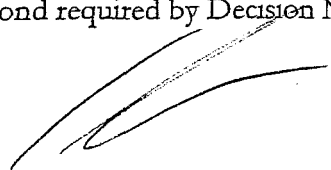
Arizona Corporation Commission

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DOCKETED BY

The Applicant states that, in order to release the performance bond and associated documents, it is sufficient for the Commission to include in an ordering paragraph language authorizing the Applicant to cancel, rescind, discontinue and be released from the performance bond required by Decision No. 66846.



Steven M. Olea
Director
Utilities Division

SMO:PJG:vsc\BH

ORIGINATOR: Pamela Genung

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 SUSAN BITTER SMITH
 Chairman

3 BOB STUMP
 Commissioner

4 BOB BURNS
 Commissioner

5 DOUG LITTLE
 Commissioner

6 TOM FORESE
 Commissioner

8 IN THE MATTER OF THE APPLICATION
9 OF VALLEY CONNECTIONS, L.L.C. FOR
10 APPROVAL OF RESCISSION OF BOND
11 REQUIREMENT CONTAINED IN
12 DECISION NO. 66846

DOCKET NO. T-04169A-14-0404

DECISION NO. _____

ORDER

13 Open Meeting
14 March 2 and 3, 2015
15 Phoenix, Arizona

16 BY THE COMMISSION:

17 FINDINGS OF FACT

18 1. On December 10, 2014, Valley Connections, L.L.C. ("Valley Connections" or
19 "Applicant") submitted an Application requesting rescission of the \$235,000 performance bond
20 requirement contained in Decision No. 66846.

21 **Background**

22 2. On March 12, 2004, in Decision No. 66846, the Arizona Corporation Commission
23 ("Commission") ordered Valley Connections to procure and file proof of a performance bond equal
24 to \$235,000. As noted in its Application, Valley Connections currently has in place a \$235,000 Escrow
25 Deposit Bond (No. PAIFSU 0382166) issued by International Fidelity Insurance Company and
26 effective until June 22, 2015. The Applicant also indicated in its Application that Decision No. 66846
27 did not require Valley Connections to deposit the bond with the Commission. Staff has confirmed
28 that the Business Office is not in possession of any bond documentation for Valley Connections. On
 January 15, 2015, a copy of the current bond was filed with Docket Control.

1 **Compliance**

2 3. According to the Corporations Division, Valley Connections is in good standing. The
3 Consumer Services Section of the Utilities Division reports there have been no complaints or
4 opinions about Valley Connections for the period of January 1, 2011 to December 19, 2014. A check
5 of the Compliance Database by the Compliance Section of the Utilities Division indicates there are no
6 delinquencies for Valley Connections; therefore Valley Connections is currently in compliance.

7 **Staff Recommendations**

8 4. The Commission has, in appropriate circumstances, relieved telecommunications
9 providers of the obligation to maintain a performance bond. Staff recommends Valley Connections
10 be relieved of the \$235,000 performance bond obligation contained in Decision No. 66846.

11 5. The Applicant states that, in order to release the performance bond and associated
12 documents, it is sufficient for the Commission to include in an ordering paragraph language
13 authorizing the Applicant to cancel, rescind, discontinue and be released from the performance bond
14 required by Decision No. 66846.

15
16 CONCLUSIONS OF LAW

17 1. Valley Connections, L.L.C. is a public service corporation within the meaning of
18 Article XV of the Arizona Constitution.

19 2. The Commission has jurisdiction over Valley Connections, L.L.C. and the subject
20 matter in this filing.

21 3. The Commission, having reviewed the filing and Staff's Memorandum dated February
22 11, 2015, concludes that it is in the public interest to approve the Valley Connections, L.L.C.
23 Application as proposed and discussed herein.

24 ...

25 ...

26 ...

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28 ...

ORDER

IT IS THEREFORE ORDERED that the Application of Valley Connections, L.L.C. to terminate the performance bond requirement contained in Decision No. 66846 be and hereby is approved.

IT IS FURTHER ORDERED that Valley Connections, L.L.C. may cancel, rescind, discontinue and be released from any performance bond or other instrument obtained in compliance with the performance bond requirements set by Decision No. 66846.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, JODI JERICH, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this _____ day of _____, 2015.

JODI JERICH
EXECUTIVE DIRECTOR

DISSENT: _____

DISSENT: _____

SMO:PJG:vsc\BH

Decision No. _____

1 SERVICE LIST FOR: Valley Connections, L.L.C.
2 DOCKET NO. T-04169A-14-0404
3

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5 Attorney for Valley Connections, L.L.C.
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14 Ms. Janice M. Alward
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16 Arizona Corporation Commission
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19 Ms. Lyn Farmer
20 Chief Administrative Law Judge
21 Arizona Corporation Commission
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